

S 2858 IS

106th CONGRESS
2d Session
S. 2858

To amend title XVIII of the Social Security Act to ensure adequate payment rates for ambulance services, to apply a prudent layperson standard to the determination of medical necessity for emergency ambulance services, and to recognize the additional costs of providing ambulance services in rural areas.

IN THE SENATE OF THE UNITED STATES

July 13, 2000

Mr. GRAMS introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to ensure adequate payment rates for ambulance services, to apply a prudent layperson standard to the determination of medical necessity for emergency ambulance services, and to recognize the additional costs of providing ambulance services in rural areas.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the `Medicare Access to Ambulance Services Act of 2000'.

SEC. 2. PAYMENT RATES.

(a) IN GENERAL- Section 1834(l)(3) of the Social Security Act (42 U.S.C. 1395m(l)(3)) is amended to read as follows:

 ` (3) PAYMENT RATES-

`(A) GROUND AND AIR AMBULANCE PAYMENT RATES- Subject to the succeeding provisions of this paragraph, in establishing such fee schedule, the Secretary shall--

`(i) set the payment rates provided under the fee schedule for ground ambulance services furnished under this part during 2001 at a rate based on the average costs (as determined by the Secretary based on a study performed by an independent research organization of such costs, adjusted for inflation if necessary) incurred by full cost ambulance suppliers in providing nonemergency basic life support ambulance services covered under this title, with adjustments to the rates for other service levels to be determined based on the rule negotiated in accordance with paragraph (1); and

`(ii) set the payment amounts provided under the fee schedule for all ambulance services furnished in 2002 and each subsequent year at amounts equal to the payment amounts under the fee schedule for services furnished during the previous year, increased by the percentage increase in the Consumer Price Index for all urban consumers (United States city average) for the 12-month period ending with June of the previous year.

`(B) STUDY AND REPORT ON THE COSTS OF RURAL AMBULANCE SERVICES-

`(i) STUDY- The Secretary, in consultation with the Office of Rural Health Policy, shall conduct a study of the means by which rural areas with low population densities can be identified for the purpose of designating areas in which the cost of providing ambulance services would be expected to be higher than similar services provided in more heavily populated areas because of low usage. Such study shall also include an analysis of the additional costs of providing ambulance services in areas designated under the previous sentence.

`(ii) REPORT- Not later than June 30, 2001, the Secretary shall submit to Congress a report on the results of the study conducted under this section, together with a regulation based on that study which adjusts the fee schedule payment rates for ambulance services provided in low density rural areas based on the increased cost of providing such services in such areas.

`(iii) IMPLEMENTATION OF REGULATION- The regulation submitted under clause (ii) shall become effective not later than January 1, 2002.

`(C) INTERIM PAYMENTS FOR RURAL GROUND AMBULANCE SERVICES- Notwithstanding subparagraph (A)(i)

of this paragraph, until such time as the fee schedule established under this subsection is modified by the regulation under subparagraph (B), the amount of payment under this subsection for ground ambulance services provided in a rural area (as defined in section 1886(d)(2)(D)) shall be the greater of-

- `(i) the amount determined under the fee schedule established under this subsection (without regard to any phase-in established pursuant to paragraph (2)(E)); or
- `(ii) the amount that would have been paid for such service if the amendments made by section 4531(b) of the Balanced Budget Act of 1997 had not been enacted;

as adjusted for inflation pursuant to subparagraph (A)(ii). For purposes of this subparagraph, an ambulance trip shall be considered to have been provided in a rural area only if the transportation of the patient originated in a rural area.'.

(b) CONFORMING AMENDMENTS- Section 1833(a)(1) of the Social Security Act (42 U.S.C. 1395l(a)(1)) is amended--

(1) in subparagraph (R)--

(A) by inserting `except as provided in subparagraph (T),' before `with respect'; and

(B) by striking `and' at the end; and

(2) in subparagraph (S), by striking the semicolon at the end and inserting `, and (T) with respect to ambulance services described in section 1834(l)(3)(C), the amount paid shall be 80 percent of the lesser of the actual charge for the services or the amount determined under such section;'.

(c) EFFECTIVE DATE- The amendments made by this section shall apply with respect to services provided on and after January 1, 2001.

SEC. 3. PRUDENT LAYPERSON STANDARD FOR EMERGENCY AMBULANCE SERVICES.

(a) IN GENERAL- Section 1861(s)(7) of the Social Security Act (42 U.S.C. 1395x(s)(7)) is amended by striking `regulations;' and inserting `regulations, except that such regulations shall not fail to treat ambulance services as medical and other health services solely because the ultimate diagnosis of the individual receiving the ambulance services results in the conclusion that ambulance services were not necessary, as long as the request for ambulance services is made after the sudden onset of a medical condition that is manifested by symptoms of such sufficient severity, including severe pain, that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect to result, without immediate medical attention, in--

- `(A) placing the individual's health in serious jeopardy;
- `(B) serious impairment to the individual's bodily functions; or

`(C) serious dysfunction of any bodily organ or part of the individual;'.
(b) EFFECTIVE DATE- The amendment made by this section shall apply with respect to services provided on and after the date of enactment of this Act.

END